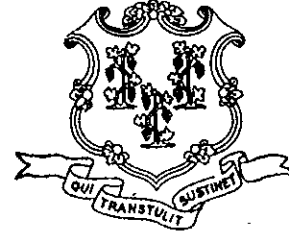


Department of Consumer Protection



Testimony of Jonathan A. Harris Commissioner-designee of Consumer Protection

Banking Committee Public Hearing, February 19, 2015

SB 887, "An Act Concerning Requirements for the Filing of a Mechanic's Lien"

Chairmen Leone and Lesser, Ranking Members Henri and Simanski and the honorable members of the Banking Committee. Thank you for the opportunity to submit testimony in support of Senate Bill 887, "An Act Concerning Requirements for the Filing of a Mechanic's Lien."

This bill was submitted to you by my Department, so let me begin by thanking you for your support in raising the bill for your committee's consideration.

This relatively simple proposal is submitted to provide additional consumer protections to those homeowners who find themselves in the situation of having sustained subpar work done by unlicensed individuals who then place a mechanic's lien on their residence.

The need for this simple change to an existing statute is clear: The Department has investigated numerous consumer complaints over the years wherein *unregistered* Home Improvement Contractors and/or *unlicensed* occupational works have offered to or actually performed work on a residential property. In many cases, the unhappy homeowner must not only deal with the nightmare of shoddy or incomplete work, but the

additional burden of learning that a mechanic's lien has been placed on the residence by the unlicensed or unregistered contractor.

Under the existing mechanic's lien statute, there are requirements which must be in place to make such lien "valid." This proposal simply adds one additional requirement: that for the mechanic's lien to be valid, the contractor must hold the appropriate registration and/or license to perform the work. This change would mean that any lien placed by an unlicensed/unregistered contractor would be invalid.

To further improve the proposed bill, I would respectfully ask the committee to amend the language to state that the contractor "must have held the appropriate license or registration for the work performed or offered to be performed at the time the work was performed or offered to be performed." This amended language would clarify that an unlicensed contractor (at the time of the work), could not just subsequently register and thus make the mechanic's lien valid.

Thank you for your consideration of this proposal. My Department stands ready to work with committee members and other interested parties as this proposal advances. Please feel free to contact me, or DCP's Legislative Program Manager, Gary Berner if you have any questions or comments.